

Appendix D

Regeneration – 2025/26 Period Five Revenue Monitoring
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Briefing Paper of the Director of Regeneration

1. Purpose of the Paper and Summary

- 1.1. To provide an overview of the budget for Regeneration, how the budget is influenced by demand levels, what performance measures are used to monitor this and the service actions to control demand and mitigate overspending whilst improving quality.

2. Background / Introduction

- 2.1 The budget for 2025-26 set by Council in February 2025 is predicated on assessed staffing structures, forecast demand metrics and contractual commitments within the Regeneration Directorate. The budget is monitored for financial considerations each reporting period the outcomes of which are reported formally.

3. Summary

- 3.1. This is the second in a series of in-year reports to Members and covers the position at the end of August, Period 5.
- 3.2. The financial return at the bottom of this report shows the overall summary for the Directorate split by service area. This includes the annual net budget per service, the projected year end forecast and the projected year end variance together with progress on delivery of savings.
- 3.3. The Directorate is predicting an overspend position of £0.903m. This includes a number of service risks that are detailed in the report and will be monitored closely with further information provided in future monitoring reports.

4. Current Position and Forecast

Economic Development & Regeneration

- 4.1. Hull Training & Adult Education is forecasting a breakeven outturn position which is predicated on apprenticeship numbers being as budgeted and required vacancies are filled to fulfil these obligations.
- 4.2. The remainder of the service is forecasting a balanced position at the year end. New efficiency savings this year of £43k have been delivered. The uplift in planning development income implemented last financial year of £110k is currently anticipated to be delivered however, planning activity levels can vary so this will continue to be monitored as the year progresses.

Property & Assets

- 4.3. This service now includes the element of the previous Building Design Service relating to the corporate property portfolio.
- 4.4. The current budget includes a £350k saving relating to the asset disposal programme which has been delayed to facilitate works on the Treasury Building. The saving cannot therefore be directly delivered and an alternative plan is being considered.
- 4.5. At present NNDR and centralised utility costs are anticipated around budget but delays from the VOA may impact on timely information being available for accurate rates to be charged. Commercial rent income will be monitored through the year and it is assumed at this point that property repairs and maintenance will be on budget.

Chief Executive

- 4.6. No significant variance is anticipated.

Major Projects

- 4.7. No significant pressure has been identified at this point. There are a small number of risk areas such as income from New Road & Street Works Act and street lighting operations, which will continue to be monitored throughout the year.

Culture, Place & City Centre

- 4.8. The current budget includes a £90k income expectation regards profit share from Connexin Live however, this is uncertain and alternative ways of mitigating this are being explored.
- 4.9. The investment programme to support transformation of the Culture & Heritage Strategy is underway and will be monitored over the year.

Streetscene

- 4.10. The forecast outturn is a pressure of 0.903m largely relating to these areas:
- 4.11. Concessionary fares - The fares have now been agreed and after £312k BSIP funding agreed to offset the increase, the inflationary pressure of £570k remains, but has been offset by a contribution from corporate contingencies.
- 4.12. Waste Disposal – £1m pressure reflects contract changes and inflation, but has been offset by a contribution from corporate contingencies.
- 4.13. Income from the sale of recyclable materials continues to be subject to changes in the global market. Average prices per tonne have fallen

reducing the income expectation which is anticipated to be slightly worse than last year with a shortfall / pressure of c£250k.

- 4.14. Parking income to date is similar to this point last financial year and a similar income profile is anticipated this year resulting in a pressure of c£400k. The Secretary of State has approved the transfer of powers to the Council for Moving Traffic Violations at the junction of Brook Street and Ferensway and is expected to become operational in the latter part of the year; this will generate some additional revenue but the budget includes an expectation of this.
- 4.15. Fleet transport is forecast to exceed the budget by £240k and is partly due to the on-going replacement of assets that incur a higher cost (eg refuse collection vehicles).
- 4.16. The budget includes a £200k saving regards CCTV efficiencies however, this is not expected to be delivered this year and an alternative plan to achieve this is being worked on.

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Officer Interests: None
Background Documents: - None

Financial Year 2025/26

Director of Regeneration Services

Summary Directorate Position

Director of Regeneration Services		Full Year Budget	Year End Forecast	Projected Year-end Variance	
Service Area		£'000	£'000	£'000	
Economic Development and Regeneration			6,162	6,162	0
Property & Assets			12,313	12,313	0
Chief Executive			1,055	1,055	0
Major Projects			5,119	5,119	0
Culture, Place & City Centre			3,400	3,400	0
Streetscene			38,851	39,754	903
NET EXPENDITURE			66,900	67,803	903

2024/25 Efficiency Savings rolled into 2025/26

Service Area	Programme / Project	Savings Target	Savings expected to be achieved	Savings Variance	RAG (Red / Amber / Green) Rating of current risk position	Explanation required?	Explanation for variance
		2025/26 £000's	2025/26 £000's	2025/26 £000's			
Economic Development and Regeneration	Income uplift - Fees and Charges	110	110	0	GREEN	No	Relates to planning development activity that varies over time. Currently anticipate activity will be at a level to achieve this.
Streetscene	CCTV cameras	200	200	0	GREEN	No	Linked to capital programme development, revenue saving not expected this year. Working on alternative plan to still achieve savings
Streetscene	Income uplift - Fees and Charges	50	13	-37	AMBER	Please provide explanation for variance	Secretary of State has approved transfer of powers to the Council regards moving traffic violations at junction of Brook St and Ferensway. There is a lead-in time re TR0's and equipment installation and anticipate implementation in Q4.
Streetscene	Grant Monies	26	26	0	GREEN	No	
Total Regeneration Services		386	349	-37			

2025/26 Efficiency Savings

Service Area	Programme / Project	Savings Target	Savings expected to be achieved	Savings Variance	RAG (Red / Amber / Green) Rating of current risk position	Explanation required?	Explanation for variance
		2025/26 £000's	2025/26 £000's	2025/26 £000's			
Streetscene	Other Staff Savings	50	50	0	GREEN	No	
Streetscene	Non Pay Budget Savings	10	10	0	GREEN	No	
Streetscene	Commercial Development Officer Income	50	50	0	GREEN	No	Work continues to expand the customer base but this is a commercial area and so subject to change.
Culture, Place & City Centre	Non Pay Budget Savings	19	19	0	GREEN	No	Budget plan is being reviewed to deliver this saving.
Property & Assets	Corporate Estate Disposals	350	350	0	GREEN	No	Working on alternative plan to achieve an underpend for the year in relation to core budget, to offset the undelivered savings. It is anticipated that the disposals will be complete in 26/27, resulting in the delivery of the current savings plan
Economic Development and Regeneration	Vacancies	5	5	0	GREEN	No	
Economic Development and Regeneration	Non Pay Budget Savings	38	38	0	GREEN	No	
Total Regeneration Services		522	522	0			

RAG rating explanation

RED	At this stage, projecting savings not to be achieved
AMBER	Savings will not be achieved in full or at risk
GREEN	At this stage, projecting savings to be achieved